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ALEXANDER HAMILTON  
INSTITUTE

*C A T A L O G*

ASTOR PLACE  
NEW YORK CITY

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**B**USINESS, like law and medicine, is rooted in science. The business executive of to-day needs more than familiarity with his own specialty. He comes constantly into contact with many other kinds of undertakings. His problems involve forces and principles underlying all business. He must possess, therefore, besides brains and energy, a wide knowledge and accurate understanding of all important business facts and principles.

¶ To meet the demand for a scientific and thorough knowledge of business is the purpose of the Alexander Hamilton Institute.

¶ It collects, organizes and transmits such knowledge both to business executives and to young men who aim to reach executive positions.

¶ The course and service in the fields of Accounts, Finance and Business Management, through which its purpose is accomplished, are described in the following pages.

## ADVISORY COUNCIL

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*The Advisory Council has general supervision and direction of the policies and activities of the Institute.*

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**Joseph French Johnson, D.C.S.,**

*Dean, New York University School of Commerce,  
Accounts and Finance.*

Graduated Harvard University, 1878; studied political science and economics in Germany; began newspaper work on the *Springfield Republican*, 1881; moved to Chicago, 1883, and became financial editor of the *Chicago Tribune*; established the *Spokane (Wash.) Spokesman*, 1890; sold his interest, 1893, and became Professor of Finance in the University of Pennsylvania; appointed Professor of Political Economy in New York University, 1901; Dean of the School of Commerce, Accounts and Finance since 1903; Secretary of the Special Currency Committee of the New York Chamber of Commerce in 1906; appointed by the National Monetary Commission to investigate and report on the Canadian banking system, 1909; received degree of Doctor of Commercial Science from Union College, 1909; Editor of *The Journal of Accountancy* since its establishment, 1906; Treasurer of the Economic Club of New York since 1908; Director of the Merchants' Association of New York since 1908; member, New York Chamber of Commerce; author of "Money and Currency," and "Syllabus of Money and Banking," and co-author of the volume on "Money and Banking" in the Modern Business Series.

**Frank A. Vanderlip, LL.D.,**

*President of the National City Bank of New York.*

Educated at the Universities of Illinois and of Chicago; after his graduation reporter on the *Chicago Tribune*, and later financial editor; also part owner and associate editor of the *Chicago Economist*; became private secretary to Secretary of the Treasury Gage, March, 1897; appointed Assistant Secretary of the Treasury, June, 1897; appointed Vice-President of the National City Bank of New York, 1901; delegate to the International Conference of Commerce and Industry held at Ostend, Belgium, 1902; President of the National City Bank of New York since 1909; member, New York Chamber of Commerce; trustee, Carnegie Foundation; member of the Council of New York University; director, Union Pacific, Southern Pacific and Chesapeake & Ohio railroad companies, and of various industrial and banking corporations; author of "Chicago Street Railways," "The American Invasion of Europe" and "Business and Education."

Edmund J. James, LL.D., *President of the University of Illinois.*

Educated in the Illinois State Normal School, in Northwestern University, in Harvard University and in the University of Halle, Germany; Professor of Public Finance and Administration in the University of Pennsylvania, 1883-1895; Professor of Public Administration and Director of the Extension Division, University of Chicago, 1896-1901; President of Northwestern University, 1902-1904; President of the University of Illinois since 1904; prominent leader in the university movement for higher business education; author of "The Canal and the Railway," "The Federal Constitution of Germany," "The Education of Business Men in Europe," and of a large number of economic papers and monographs.

Elijah W. Sells, M.A., C.P.A., *Senior Member, Haskins & Sells.*

Educated at Baker University; after graduation began his business experience in the freight and passenger offices of several Western railroads; later became Auditor of the Colorado-Midland Railway; with the late Charles Waldo Haskins, first Dean of New York University School of Commerce, Accounts and Finance, established the accounting firm of Haskins & Sells, 1893; President of the American Association of Public Accountants, 1906-1908; honorary member, Association of American Railway Accounting Officers; member, New York, Pennsylvania, Ohio, Illinois and Missouri State Societies of Public Accountants; author of various addresses and articles on accounting and business subjects.

Jeremiah W. Jenks, LL.D.,

*Cornell University.*

Graduated University of Michigan, 1878; studied law and was admitted to the Michigan Bar, but did not practice; graduate student in the University of Halle, and received Ph.D. degree, 1885; Professor of Political Science, Knox College, 1886-1889; Professor of Political Economy, Indiana University, 1889-1891; Professor of Political Economy and Politics, Cornell University, since 1891; expert agent of United States Industrial Commission engaged in the investigation of trusts and industrial combinations in United States and Europe, 1889-1901; special commissioner of the United States War Department to investigate questions of currency, labor and taxation in the Orient, 1901-1902; special expert on currency reform for the Government of Mexico, 1903; member of the United States Immigration Commission since 1907; author of "The Trust Problem," "Citizenship in the Schools," "Winning and Losing of Great Fortunes," and of numerous governmental reports.



## FACULTY AND EXECUTIVE STAFF

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*The Faculty and Executive Staff conduct the Institute Course and Service.*

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**Charles Ezra Sprague, Ph.D., C.P.A.,** *Philosophy of Accounts.*

Chairman of the Faculty.

Graduate of Union College; served in Union Army and became brevet Colonel, New York Volunteers; for over thirty years connected with, and now President of, Union Dime Savings Institution, New York City; also Professor of Accountancy in New York University since 1900; formerly President, New York Board of Examiners for Certified Public Accountants; author of "Accountancy of Investment," "Extended Bond Tables," "The Philosophy of Accounts," and of numerous articles and addresses.

**William H. Lough, A.M.,** *Finance and Transportation.*

Secretary of the Faculty.

Graduate of Harvard University; for several years after graduation engaged in railroad and financial newspaper work; member of the Faculty of New York University since 1905; Secretary, New York University School of Commerce, Accounts and Finance, 1906-1910; formerly Managing Editor of *The Journal of Accountancy*; author of "Lectures on Panics and Depressions" and of the volume on "Corporation Finance" in the Modern Business Series.

**Leo Greendlinger, M.C.S.,** *Accounting Methods.*

Educated in Royal Commercial College of Austria and in New York University School of Commerce, Accounts and Finance; practising accountant; also a member of the Accounting Faculty of New York University; Editor of the C. P. A. Question Department of *The Journal of Accountancy*; author of "Accountancy Problems," "Graded Accounting Problems" and "Accounting Theory and Practice" in the Modern Business Series.



**John C. Duncan, Ph.D.,***Cost Systems and Auditing.*

Educated in the University of Pennsylvania; for several years a member of the Faculty of Ohio State University, where he organized the courses in accounting; for a time was engaged in accounting work with the firm of Haskins & Sells of New York; now a member of the Faculty of the University of Illinois; author of "Methods of Determining the Efficiency of Labor," "The Economic Side of Works Management," "Principles of Business Management" and "Property Accounting for Fire Losses."

**Stephen W. Gilman, LL.B.,***Business Administration.*

Educated in the College and Law School of the University of Wisconsin; engaged in business in Chicago and became Director of the Chicago and Eastern Illinois Railroad and President and General Manager of the Brazil Block and Coal Company, 1878-1896; now Professor of Business Administration in the University of Wisconsin; member of the State commissions appointed to simplify the accounting system used by the State, and to prepare the accounting requirements established by the Railroad Commission of Wisconsin.

**Lee Galloway, Ph.D.,***Industrial Organization.*

Educated in the University of Minnesota and in New York University, and has carried on graduate study in economics and commercial science at Columbia University, the University of Birmingham, England, and the University of Halle, Germany; this study he has supplemented by personal investigation of the management and conditions in many industrial plants; now a member of the Faculty of New York University School of Commerce, Accounts and Finance; author of "The Dock System in Great Britain" and of the treatises on "Business Organization" and on "Salesmanship and Credits" in the Modern Business Series.

**George B. Hotchkiss, A.M.,***Business Writing.*

Graduate of Yale University; formerly member of the Faculty of Beloit College; later engaged in newspaper work; now Secretary, New York University School of Commerce, Accounts and Finance, and in charge of the instruction in Business English; author of the treatise on "Business Correspondence" in the Modern Business Series.

**Franklin Escher,***Money and Finance.*

Educated Yale University and abroad; for several years engaged in newspaper and financial magazine work; now Associate Editor of the *Bankers' Magazine*; also Financial Editor of *Harper's Weekly*; also lecturer on Foreign Exchange in New York University; author of "The Elements of Foreign Exchange" and of the treatise on "Foreign Exchange" in the Modern Business Series.

**Howard M. Jefferson, M.C.S.,***Banking Practice.*

Graduate of New York University School of Commerce, Accounts and Finance; for several years engaged in banking and mercantile business in New York City; formerly examiner in banking department of State of New York; now Vice-President of the Bank of Coney Island; also lecturer on Banking in New York University; author of the treatise on "Banking Practice" in the Modern Business Series.

**Albert W. Atwood, A.B.,***Investments.*

Graduate of Amherst College; for several years financial writer on the *New York Sun*; now financial editor of the *New York Press*; also lecturer on Investments in New York University; co-author of the volume on "Investment and Speculation" in the Modern Business Series and author of numerous magazine articles on financial subjects.

**Edward R. Hardy, Ph.B.,***Insurance.*

Graduate of Boston University; formerly Librarian, Insurance Library Association, Boston; for several years engaged in investigations and in administrative work for various insurance organizations; now Manager, New York Fire Insurance Exchange; co-Editor of the "International Insurance Encyclopedia"; author of "History of Fire Insurance in Massachusetts" and of the treatise on "Insurance" in the Modern Business Series.

**Walter Lindner, LL.B.,***Real Estate.*

Born in Germany; educated in German schools and in New York University Law School; now Solicitor of the Title Guarantee and Trust Company of New York City; also Lecturer on Real Estate in New York University School of Commerce, Accounts and Finance; author of the treatise on "Real Estate" in the Modern Business Series.

**Charles W. Gerstenberg, Ph.B., LL.B.,**

*Commercial Law.*

Educated in the College and Law School of New York University; since graduation has practised law in New York City; is also lecturer on Corporation Law and Finance in New York University School of Commerce, Accounts and Finance; Editor of the Legal Department of *The Journal of Accountancy*; co-author of the volume on "Commercial Law" in the Modern Business Series and author of numerous magazine articles on legal and financial topics.

**Thomas W. Hughes, LL.M.,**

*Commercial Law.*

Graduate of the Law School of the University of Michigan; formerly member of the Law Faculty of the University of Michigan; now member of the Law Faculty of the University of Illinois; author of "Hughes on Evidence," "Outline of Criminal Law," "Selected Cases on Evidence," and co-author of the volume on "Commercial Law" in the Modern Business Series.

**R. W. Smiley, A.B.,**

*Bursar.*

Graduate of Harvard University; for some years after graduation engaged in business as salesman and in advertising department of Library Bureau; appointed Bursar of Alexander Hamilton Institute in 1910.

## SPECIAL LECTURERS

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*The Special Lecturers have prepared written lectures for the Institute presenting results of their successful business experience.*

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**James G. Cannon,**

*"The Necessity of Business Training."*

Born in Delhi, N. Y.; educated in New York City schools; engaged in banking in New York City since 1876; for several years Vice-President, and now President, of the Fourth National Bank of New York City; also director of various industrial corporations; Treasurer, New York Chamber of Commerce; formerly President of the National Association of Credit Men; member of the Council of New York University.

**Hugh Chalmers,**

*"Proficiency in Salesmanship."*

Born in Dayton, Ohio; at the age of fourteen, left school and became office boy in the Dayton sales room of the National Cash Register Company; at twenty-four, was made District Sales Manager of Ohio; at twenty-nine, General Sales Manager; and at thirty-three, Vice-President and General Manager; since 1908 has been President of the Chalmers Motor Company of Detroit.

**Harvey S. Chase,**

*"Modern Municipal Accounting."*

Born in Portsmouth, New Hampshire; educated in the Massachusetts Institute of Technology; treasurer and manager of various public service, engineering and mining corporations, 1886-1897; head of firm of Harvey S. Chase & Co. of Boston, Certified Public Accountants, since 1897; consulting expert for States of Massachusetts, Ohio and Colorado on municipal accounting and allied subjects; Ex-President, Incorporated Public Accountants of Massachusetts; trustee American Association of Public Accountants.

**Miles M. Dawson,**

*"How to Buy Insurance."*

Born in Viroqua, Wisconsin; educated in Kentucky University; in 1888 was appointed Superintendent of Agents of the New York Life Insurance Company in the States of Pennsylvania, Delaware, Ohio and Illinois; since 1894 has been consulting actuary in independent practice in Chicago and in New York; also counsellor at law; has been engaged in many important investigations; since 1905, Lecturer on Advanced Actuarial Science in New York University; chief actuarial expert of the U. S. Census Bureau.

**Joseph H. Defrees,***"The Lawyer as a Business Adviser."*

Born in Goshen, Ind.; educated in Earlham College and Northwestern University; practiced at Indiana Bar until 1888, and since then in Chicago; senior member of law firm of Defrees, Buckingham, Ritter and Campbell; President of the Chicago Bar Association.

**Melvil Dewey,***"Office Efficiency."*

Born in Adams Center, New York; educated in Amherst College; founded and managed the Library Bureau, 1876-1883; Chief Librarian, Columbia University, 1883-1888; formerly State Director of Libraries, New York; founder, 1895, and since President, Lake Placid Club; trustee Chautauqua Institution.

**Solomon R. Guggenheim,***"Building a Business Organization."*

Born in Philadelphia; one of the seven Guggenheim brothers, all of whom are prominent leaders in the mining and smelting industries; member of the firm of M. Guggenheim's Sons; President, Yukon Gold Company; Director of the American Smelting & Refining Company and of numerous other industrial corporations.

**John Hays Hammond,***"Mining Companies' Securities."*

Born in San Francisco; educated in Yale University; became consulting and mining engineer for Barnato Bros., and later for Cecil Rhodes in South Africa; was one of the leaders in the reform movement in the Transvaal; returned to United States in 1898 and became consulting engineer for the Guggenheim interests; formerly President, American Institute of Mining Engineers; President, National League of Republican Clubs.

**Franklin W. Hobbs,***"Problems of Mill Management."*

Born in Roxbury, Mass.; educated in Massachusetts Institute of Technology; instructor in Mechanical Engineering in that institution, 1889-1891; engineer and assistant treasurer in the Arlington Mills, 1891-1902; Treasurer and Executive Officer of the Arlington Mills since 1902; President, National Association of Cotton Manufacturers; member of the Executive Committee, National Association of Wool Manufacturers; State Trustee of the Lowell Textile School.



**Richard M. Hurd,***"Structure of Cities."*

Born in New York City; educated in Yale University; engaged in business for several years in Seattle, Washington; appointed Assistant Secretary of the United States Mortgage and Trust Company, New York City, 1894; since 1902 President of the Lawyers Mortgage Company of New York City; a well-known authority on real estate values.

**Charles H. Huttig,***"Building Up a Bank's Deposits."*

Born in Muscatine, Iowa; educated in public schools; became clerk in bank at Muscatine; later became interested in the manufacture of lumber; organized, in 1885, Huttig Sash and Door Company of St. Louis, of which he has since been President; Director of Third National Bank of St. Louis since 1890, and President since 1897.

**Breckinridge Jones,***"Trust Company Management."*

As a member of the Missouri Legislature in 1885, Mr. Jones was instrumental in securing the passage of the first trust company act of the State of Missouri; one of the incorporators of the Mississippi Valley Trust Company of St. Louis and its first Secretary; became Vice-President in 1892 and President in 1906; elected President of the Trust Company Section of the American Bankers' Association in 1906.

**William M. Lybrand,***"Standard Rates of Depreciation."*

Born in Philadelphia; began practice of public accounting in 1886; member of accounting firm of Hinds, Lybrand & Co., 1892-1897; senior member of Lybrand, Ross Bros. & Montgomery, Certified Public Accountants, since 1897; formerly President of the Pennsylvania Institute of Certified Public Accountants; author of various addresses and articles on accounting topics.

**William G. McAdoo,***"Corporations and the Public."*

Born in Marietta, Georgia; educated in the University of Tennessee; admitted to Tennessee Bar, 1885; removed to New York, 1892, and engaged in the practice of law; organized company to construct Hudson tunnels, 1902; President, Hudson and Manhattan Railroad Company; President, Southern Society of New York.

**Charles Miller,***"Sales Organization and Management."*

Born in Alsace, France; came to this country when eleven years old; educated, Bucknell University; entered oil business, 1869, and has been President, Galena Signal Oil Company since its organization; director of over forty industrial corporations; formerly Mayor of Franklin, Pennsylvania; formerly Major-General in Pennsylvania National Guard; decorated by French Government as Chevalier of Legion of Honor for eminent services to industry and commerce.

**Paul Morton,***"Life Insurance as a Business Asset."*

Born in Detroit, Michigan; at fifteen years of age became clerk in land office of Chicago, Burlington and Quincy Railroad; was appointed, successively, Assistant General Freight Agent, General Passenger Agent and General Freight Agent; became Vice-President, Colorado Fuel and Iron Company, 1890; Third Vice-President, Atchison, Topeka and Santa Fé Railroad, 1896, and Second Vice-President, 1898; Secretary of the Navy, 1904-1905; President, Equitable Life Assurance Society of United States since 1905.

**H. F. J. Porter,***"Essentials of a Successful Enterprise."*

Born in New York City; educated, Lehigh University; served successively with several industrial corporations, 1878-1894; Western representative Bethlehem Steel Company, 1894-1901; Eastern representative, 1901-1902; Vice-President and General Manager, Westinghouse-Nernst Lamp Company, 1902-1905; consulting industrial engineer in independent practice in New York City since 1905; also President, Universal Speed Control Company; Lecturer in Harvard and in New York Universities.

**Sereno S. Pratt,***"Commercial Organizations."*

Born in Westmoreland, New York; educated in University of Vermont; engaged in newspaper work in New York City, writing principally on political and financial subjects, 1878-1903; Associate Editor, *Wall Street Journal*, 1903-1905, and Editor-in-Chief, 1905-1909; Secretary, New York Chamber of Commerce since 1909.



**George E. Roberts,**

*"The Central Bank Issue."*

Born in Delaware County, Iowa; educated in common schools; proprietor and editor, *Fort Dodge (Ia.) Messenger*, 1878; for over twenty years thereafter engaged in newspaper work in Iowa; Director of the United States Mint, 1898-1907; President, Commercial National Bank of Chicago, 1907-1910; now Director of the United States Mint.

**Theodore P. Shonts,**

*"Transportation Company Management."*

Born in Crawford County, Pennsylvania; educated, Monmouth College; after graduation became an accountant; later studied and practised law; became associated with General Drake and constructed and managed several small railroads; secured control and became President of the Toledo, St. Louis and Western Railroad; Chairman of the Isthmian Canal Commission, 1906-1907; President, Interborough Rapid Transit Company of New York since 1907; also President, Toledo, St. Louis and Western Railroad Company and of three other railroad companies.

**E. G. Shorrock,**

*"Accounting Systems."*

Born in Blackburn, England; when fifteen years of age, entered railroad service in England; in 1891 became accountant to the Empire of India Corporation of London; in 1899 came to the United States to represent the interests of a syndicate of British capitalists in various transportation and trading enterprises in Alaska and Yukon territory, with headquarters in Seattle; in 1902, commenced practice as a public accountant in Seattle as head of the firm of E. G. Shorrock & Company, Certified Public Accountants; Chairman of the Washington State Board of Accountancy.

**Ernest S. Suffern,**

*"The Auditing of External Factors."*

Born in Plainfield, New Jersey; educated in Williams College; after graduation was connected with various industrial corporations; now member of the firm of Suffern & Son, Certified Public Accountants, New York City.

**Herbert M. Temple,** *"Divisional Expenses and Their Treatment."*

Practicing accountant in St. Paul, Minn.; for many years has been one of the leading public accountants in the Northwest; senior member of the firm of Temple, Webb & Co., Certified Public Accountants; President of the Minnesota Society of Public Accountants and Vice-President of the American Association of Public Accountants.

**Clark Williams,** *"Business Methods in Government Departments."*

Born in Canandaigua, New York; educated in Williams College; after graduation entered the service of the Guaranty Trust Company of New York; later was successively, clerk, Assistant Treasurer, Treasurer, and Vice-President of the United States Mortgage and Trust Company of New York; organized Columbia Trust Company of New York, 1905, and was Managing Vice-President, 1905-1907; Superintendent of Banks, State of New York, 1907-1909; Comptroller, State of New York since 1909; formerly member of Executive Council, American Bankers' Association, and President of the Trust Company Section; trustee of Williams College and of the Teachers College of Columbia University.

## THE INSTITUTE COURSE AND SERVICE

**T**HE Alexander Hamilton Institute collects, organizes and transmits to its subscribers information as to business principles and practice. It collects this information through the Faculty and Executive Staff, the Special Lecturers and the other authors of the Institute literature. The task of organizing this information so as to present it in concise, systematic form has been performed by the editor-in-chief of the Modern Business Series and by members of the Faculty and Executive Staff. The information is transmitted to subscribers through two channels:

- (a) The Two-Year Course in Accounts, Finance and Business Management.
- (b) The Consulting Service.

All of this work is conducted under the supervision of the Advisory Council.

The Course and the Service supplement each other and are intended to be used together by each subscriber.

### THEIR DISTINCT FUNCTIONS.

The chief function of the Course is to present as clearly and concisely as possible those facts and principles that are of direct interest and value to all business men irrespective of their specialized duties. The Course, in other words, treats com-

prehensively and systematically the body of general business knowledge—knowledge that is essential alike to the accountant, the advertising man, the banker, the broker, the credit man, the manufacturer, the merchant, the salesman; in fact, to all kinds and grades of active business men. Business operations have become so wide and complex that this body of general business knowledge is constantly growing larger, more exact and more important. It has been with difficulty compressed into the Institute's two-year Course.

The chief function of the Service is to aid individual subscribers in solving their own special business problems. Subscribers are entitled to assistance of this kind and are urged to make full use of their privilege of sending inquiries and problems to the Institute. By this means the specialized knowledge of the members of the Institute Faculty and Executive Staff may be brought to bear on the conditions that confront each subscriber. The advice and information furnished in answer to subscribers' inquiries is additional to the more general treatment of facts and principles in the Institute Course.

More detailed descriptions of both the Course and the Service are given below.

#### THE COURSE IN ACCOUNTS, FINANCE AND BUSINESS MANAGEMENT.

The Alexander Hamilton Institute furnishes to each subscriber a complete and authoritative body

of literature, partly bound in volumes and partly in pamphlet form, in which the most important facts and principles pertaining to present-day business operations are clearly presented. The subjects covered are indicated on pages 29 to 42 of this catalog. The Institute does a great deal more, however, than merely deliver a valuable collection of books and pamphlets. All of this literature has been carefully organized into the two-year Course in Accounts, Finance and Business Management, and the reading of subscribers who follow the Course is directed and tested throughout the two years. The literature of the Institute Course comes to subscribers in the four forms described below:

(a) The Modern Business Series.

The basis of the Course is a series of twelve volumes written especially for the Alexander Hamilton Institute by well-known university authorities, and published under the general title "Modern Business." The title is in itself a good brief description of their contents, for the volumes cover every important phase of present-day business activity. They constitute a comprehensive digest of business principles and practice.

The editor-in-chief of this series is Joseph French Johnson, Dean of New York University School of Commerce, Accounts and Finance, who is also Chairman of the Advisory Council of the Alexander Hamilton Institute. The authors chosen by Dean Johnson are specialists, each of whom ranks as an authority in his own field. The series is widely recognized as the most important single contribution yet made to business literature.

The volumes in the Modern Business series are sold apart from the Institute Course only to university students for use

as prescribed text-books in university classes. Among the universities which have adopted one or more of the volumes as texts in their business courses are:

Harvard University	University of Iowa
Yale University	University of Nebraska
Cornell University	Northwestern University
Brown University	University of Colorado
Dartmouth College	University of Denver
New York University	University of California
University of Vermont	University of Texas
University of Michigan	University of Pittsburg
University of Indiana	Marquette University
University of Illinois	Illinois Wesleyan University
University of Wisconsin	Iowa College
University of Minnesota	

There are about five hundred pages in each of the twelve volumes. Each volume is carefully indexed and contains, in addition to the text, a set of quiz questions which are of great value in mastering each subject. The titles and authors of the twelve volumes are:

*Volume I. —Economics of Business.*

A practical exposition of the science of business with illustrations from actual experience, by EDWARD SHERWOOD MEADE, PH.D., Professor of Finance in the Wharton School of Finance and Commerce of the University of Pennsylvania, author of "Trust Finance," "The Story of Gold," etc.

*Volume II—Organization, Correspondence, Transportation.*

The principles underlying successful business organization and management, by LEE GALLOWAY, PH.D., Professor of Commerce and Industry in New York University School of Commerce, Accounts and Finance; author of "The Dock System in Great Britain," etc.; with chapters



on business correspondence, by G. B. HOTCHKISS, M.A., Instructor in Business English in New York University School of Commerce, Accounts and Finance; and chapters on transportation practice and rate-making, by JAMES MAVOR, M.A., Professor of Political Economy in the University of Toronto, author of "History of Industry," etc.

### *Volume III—Accounting Theory and Practice.*

A comprehensive statement of accounting principles and methods, illustrated by modern forms and problems, by LEO GREENDLINGER, M.C.S., Lecturer on Accounting in New York University School of Commerce, Accounts and Finance, editor of the "C. P. A. Question Department" in *The Journal of Accountancy*, author of "Accountancy Problems," etc.

### *Volume IV—Corporation Finance.*

An exposition of the principles and methods governing the promotion, organization and management of modern corporations, by WILLIAM H. LOUGH, M.A., Professor of Finance and Transportation in New York University School of Commerce, Accounts and Finance.

### *Volume V—Money and Banking.*

A discussion of the laws fixing the general level of prices and wages, with descriptions of important monetary systems of modern credit institutions in Europe and the United States, by EARL DEAN HOWARD, PH.D., Professor of Finance in Northwestern University School of Commerce, author of "Industrial Progress of Germany," etc.; in collaboration with JOSEPH FRENCH JOHNSON, D.C.S., Dean of New York University School of Commerce, Accounts and Finance, author of "Money and Currency," "Syllabus of Money and Banking," etc.

### *Volume VI—Banking Practice and Foreign Exchange.*

A description of modern banking methods and of the laws governing their organization and operations, by H. M.



JEFFERSON, M.C.S., Lecturer on Banking in New York University School of Commerce, Accounts and Finance; and a discussion of the technique and principles of international monetary operations, by FRANKLIN ESCHER, Lecturer on Foreign Exchange in New York University School of Commerce, Accounts and Finance, Financial Editor of *Harper's Weekly*.

### *Volume VII—Investment and Speculation.*

A description of the modern money market and an analysis of factors determining the value of securities, by THOMAS CONWAY, JR., PH.D., Professor of Finance in the Wharton School of Finance and Commerce of the University of Pennsylvania, author of "Traffic Problems of Interurban Railroads"; in collaboration with ALBERT W. ATWOOD, A.B., Lecturer on Investments in New York University School of Commerce, Accounts and Finance, Financial Editor of the *New York Press*.

### *Volume VIII—Insurance and Real Estate.*

A practical treatise on the conduct of the fire insurance business, by EDWARD R. HARDY, PH.B., Lecturer on Insurance and Insurance Law in New York University School of Commerce, Accounts and Finance, Manager of the New York Fire Insurance Exchange; with a practical treatise on the conduct of the real estate business, by WALTER LINDNER, LL.B., Lecturer on Real Property in New York University School of Commerce, Accounts and Finance, General Solicitor of the Title Guarantee and Trust Company of New York City.

### *Volume IX—Selling, Credits, Advertising.*

A practical discussion of selling with chapters on credits and collections, by LEE GALLOWAY, PH.D., Professor of Commerce and Industry in New York University School of Commerce, Accounts and Finance; with an exposition of advertising as an art and as a business, by G. HOWARD HARMON, Vice-President of the Morse International Advertising Agency, Lecturer in New York University School of Commerce, Accounts and Finance.

*Volume X—Accounting Systems.*

A description of the accounting methods best adapted to the needs of various business institutions, by EDWARD P. MOXEY, JR., PH.D., C.P.A., Lecturer on Accounting in the Wharton School of Finance and Commerce of the University of Pennsylvania.

*Volume XI—Auditing and Cost Accounts.*

A discussion of the duties of the auditor, with practical exercises in accountants' reports, by SEYMOUR WALTON, C.P.A., Professor of Theory and Practice of Accounting in Northwestern University School of Commerce; with a treatise on the principles of cost accounting, giving concrete illustrations, by STEPHEN W. GILMAN, LL.B., Professor of Business Administration in the University of Wisconsin.

*Volume XII—Commercial Law.*

A treatise for business men on the law applicable to commercial relations, with digests and cases, by CHARLES W. GERSTENBERG, LL.B., Lecturer in New York University School of Commerce, Accounts and Finance, member of the New York Bar; in collaboration with THOMAS W. HUGHES, LL.M., Professor of Law in the University of Illinois, author of "Evidence," and other texts.

*(b) Lectures.*

The series of twenty-four written Lectures, which are sent to subscribers monthly during the two-year Course, have been especially prepared for the Institute course by eminent business executives, publicists and accountants, and reflect the experience of these men in successfully handling business problems. They are intended, first, to show how the principles discussed in the Modern Business series are actually applied in practice; second, to give further information as to large and highly developed business concerns and their

methods; and, third, to bring subscribers into close touch with a wide circle of representative, successful men of affairs.

Some of the subjects of the Lectures are:

*"The Structure of Cities."*

*"The Management of a Transportation Company."*

*"Building a Business Organization."*

*"Essentials of a Successful Enterprise."*

*"Mining Companies' Securities."*

*"Proficiency in Salesmanship."*

*"Organization and Management of a Selling Force."*

*"The Central Bank Issue."*

*"Building up a Bank's Deposits."*

*"Accounting Systems."*

*"Divisional Expenses and Their Treatment."*

*"Insurance as a Business Asset."*

*"How to Buy Insurance."*

*"The Lawyer as a Business Adviser."*

*"Business Methods in Government Departments."*

### (c) Concrete Business Talks.

The forty-eight Concrete Business Talks, which are sent out fortnightly, treat concisely some specific point or question, the details of which are not considered elsewhere in the Course. New developments and events in the rapidly changing world of business and important current business topics are critically reviewed. Thus they constitute the elastic element which keeps the Course up to date and quickly responsive to the needs of the body of subscribers. As their name implies, these Talks are informal, direct and practical. They are prepared by members of the Faculty and Executive Staff or other authorities.

In the same pamphlet which contains the Concrete Business Talk, there is included the fortnightly reading assignment and the Summary and Comments, which is a brief review and criticism of the assigned reading for the succeeding two weeks. Ordinarily the subscriber, on receiving his fortnightly

instalment of new material, should turn, first of all, to the reading assignment and the Summary and Comments, and thus get a bird's-eye view of the ground that is to be covered during the succeeding two weeks.

Some of the subjects discussed in the Concrete Business Talks are:

*"Business Literature."*

*"The Corporation Tax Law."*

*"The Federal Incorporation Bill."*

*"The Increased Cost of Living."*

*"Office Efficiency."*

*"Valuation of Good Will."*

*"Mechanical Office Appliances."*

*"Pointed Facts about Corporation Laws."*

*"American Currency Reform—The Present Situation."*

*"An Analysis of Railroad and Industrial Bonds."*

*"Making Small Advertisements Effective."*

*"Trade Journals and Their Relation to the Business Man."*

*"Consular Trade Reports."*

*"Auditing One's Own Business."*

#### (d) Business Problems.

One of the strong features of the Course is the series of twenty-four Business Problems—such problems as accountants, financiers, bankers and business managers meet in practice—especially prepared for the Course by members of the Institute Faculty and Executive Staff. Each problem is a carefully worded statement of all the essential factors in some business situation; in other words, the situation is presented and described just as it might be in the report of a subordinate official to the head of a business enterprise. The problems are so arranged as to correspond closely to the assigned reading. For instance, after the subject of cost accounts has been discussed, a problem is given in which a knowledge of cost accounting principles is called for. Thus, the problems serve not merely to test the subscriber's under-

standing and thinking power, but also to fix in his mind and make definite the statements and principles contained in the text-books. When solutions to the problems are sent in, they are criticised, graded and returned with suggestions for further study. Solutions to the problems are not required, however, unless a Proficiency Certificate is desired, which will be issued only to subscribers who have received an average marking of 75 per cent. or above on the problems.

### Delivery of the Course.

Every fortnight during the two-year Course a Concrete Business Talk is mailed to each subscriber. With the Talk there is enclosed, alternately, either a written Lecture or a Business Problem. The Institute mails these pamphlets regularly, even if the subscriber does not send in solutions to the problems.

### Inquiries Pertaining to the Course.

The Faculty and Executive Staff of the Institute are anxious to assist subscribers in getting the maximum results out of the Course in Accounts, Finance and Business Management. Each subscriber, as he follows the Course, will probably find some statements which he does not fully understand or with which he does not agree. If he is unable to satisfy himself as to the meaning or correctness of such statements, he should by all means write to the Institute asking for an explanation. All such requests are promptly and fully answered. Many subscribers, who are especially interested in certain portions of the Course, desire suggestions as to the best collateral reading or as to other methods for additional study. Such inquiries—in fact, any and all inquiries that pertain directly to the Institute Course—may be sent in by subscribers at any time and are given prompt attention. No limitation is imposed on the number or extent of such inquiries.



## THE CONSULTING SERVICE.

For the present each subscriber has in addition the privilege of submitting a limited number of inquiries and problems of an entirely different class, namely, those which arise in connection with his own business affairs. There is no necessary connection between inquiries of this kind and the progress of the subscriber's course; that is to say, a subscriber at any stage of his course may submit to the Institute a description of some business situation that confronts him and may request such specific information as he needs or advice as to the best method of handling the situation. The statement will be referred to that member of the Faculty and Executive Staff, or, if necessary, to two or more members, who are best qualified by their special training to analyze the situation and to make valuable suggestions. All such inquiries are held in strict confidence.

In offering this Consulting Service the Alexander Hamilton Institute does not undertake to do constructive planning for its subscribers, such as outlining selling campaigns, revising accounting systems, proposing methods of financial reorganization, and the like. Its functions as regards such inquiries are advisory and critical, not constructive. Furthermore, no subscriber is entitled to send in more than one inquiry of this class during each month of his two-year course. These limitations are intended simply to rule out obviously unreason-

able questions or requests, and thus to enable the Institute to make its service thoroughly efficient.

Many subscribers consult the Institute regularly with reference to their accounting, financial and administrative problems. To give an idea of the scope of the service a few recent inquiries are briefly summarized below:

How may a manufacturing company best keep its cost and sales records, without disturbing its present set of books, when it takes over temporarily the manufacture and sale of a certain patented article?

How should discounts allowed for cash payments, exchange on checks, bank discounts on assigned accounts, and similar items be treated in making up the Federal Corporation Tax Report?

A plan for reorganization of the tangled finances of a rubber plantation company, which has been managed heretofore by swindling promoters and has just been turned over to the stockholders, is submitted for comments and criticisms.

A wholesale concern which ships from several depots requests advice as to the best method of handling its shipments to Pacific Slope points in order to secure the most advantageous freight rates.

What system for following up and hastening rush orders would probably be best adapted to a manufacturing plant of a peculiar type?

An opinion is asked as to the feasibility of a scheme to issue bonds of a good-sized corporation, and to set aside a portion of the proceeds as a redemption fund.

Criticism is requested of a proposed catalogue and circular letter.



A manufacturer asks what type of insurance policy is best adapted to his situation.

A detailed outline of a plan for selling a patented article is submitted for criticism and suggestions.

An analysis of an industrial company's report and an opinion as to the value of its preferred stock are requested.

These few examples, taken practically at random, sufficiently indicate the nature and scope of the Consulting Service. Its value is clearly enough shown by the fact that it is constantly used by active business executives.

## SUBJECTS OF THE INSTITUTE COURSE

In organizing the Course in Accounts, Finance and Business management, it was determined that every part of the Course should be made directly interesting and useful to all classes of business men and that no subjects which are non-essential or highly specialized should be included. The subjects finally selected, arranged in the order of their presentation in the Course, are:

- I—ECONOMICS OF BUSINESS.
- II—BUSINESS ORGANIZATION.
- III—BUSINESS CORRESPONDENCE.
- IV—TRANSPORTATION.
- V—ACCOUNTING THEORY AND PRACTICE.
- VI—CORPORATION FINANCE.
- VII—MONEY AND BANKING.
- VIII—BANKING PRACTICE.
- IX—INVESTMENT AND SPECULATION.
- X—INSURANCE.
- XI—REAL ESTATE.
- XII—BUYING AND SELLING.
- XIII—CREDITS AND COLLECTIONS.
- XIV—ADVERTISING.
- XV—ACCOUNTING SYSTEMS.
- XVI—AUDITING.
- XVII—COST ACCOUNTS.
- XVIII—COMMERCIAL LAW.

A more detailed descriptive outline of the Course is given in the following pages.

# DESCRIPTIVE OUTLINE OF THE COURSE

## I—Economics of Business

*Three agents in production—Law of diminishing returns—Labor efficiency and improvement—Large-scale production—Forms of money in the United States—Basis and limitations of bank credit—National banking system—Factors which influence price—How rates of wages are determined—Causes of periodical changes in interest rates—How profits are calculated—The railroad problem—The tariff problem—The trust problem—The problem of organized labor.*

The science of Economics underlies all business just as mathematics underlies all engineering vocations. It is the foundation subject of the Course in Accounts, Finance and Business Management, and should be mastered, first of all, by every subscriber. This section of the Course gives a clear idea of the nature of the business problems and forces with which economists deal and enables the subscriber to form intelligent judgments of his own. It makes clear the laws governing the prices of goods, the wages and salaries of employees, the profits or net earnings of employers, including both individuals and corporations, the rate of interest, and the rent of buildings and land. It takes up in comprehensive manner the perplexing problems raised by trade unions, by the capitalistic combinations called "trusts," by natural monopolies, by protection and free trade, and by the state regulation of railways. In fact, in the study of this subject light is thrown upon all the questions raised in the succeeding sections of the Course.

## II—Business Organization

*Development of competition, speculation and monopoly—The consular service and international business—Laying out an organization—Organization charts—Departmental duties and authorities—Gathering information—Reports, charts, statistical tables, committees, etc.—Filing systems—Methods of paying labor—Piece work, premium and bonus plans—Standardization of products, machines and processes—Internal checks to insure accuracy and prevent fraud.*

Under this heading the chief factors which determine the organization of modern business are discussed. Special attention is given to the important mechanical inventions and to the development of the factory system, which have brought about specialization of industry, large scale production and wider markets. In the study of markets, the present tendency of the manufacturer to control the retail market is explained. The characteristics of foreign, as well as domestic, markets are described. The internal organization of manufacturing plants is mapped out, and the advantages of different methods of organization, as regards economy and the preservation of good-will, trade markets and local interest, are pointed out. Attention is directed to the best and newest office methods and systems; and the management of employees in both office and plant, as well as their organization, is considered.

## III—Business Correspondence

*Avoidance of stereotyped words and phrases—Laying out a letter—Importance of introduction and of close—Letters for special purposes—Selling and collection letters—Complaint and adjustment letters—Form letters and paragraphs—Reports and business arguments.*

Few subjects are as of vital importance to the business man as business correspondence. Most business must necessarily be carried on by means of letters, and the object of this part of the Course is to present correct forms for business correspondence, and more especially to explain the principles that underlie the effective, result-getting use of English.

#### IV—Transportation

*Close relation between rates and industry—Freight classifications and tariffs—Commodity rates and tariffs—Import and export rates—Switching and other terminal charges—Principles on which rates are based—Public control of transportation.*

This section of the Course includes a description of the traffic conditions prevailing in the different sections of the United States, and of the usual methods of handling and tracing freight and of dealing with claims. In connection with rates, the origin and principles of freight classifications are considered, as well as class rates within and between classification territories, export and import rates, terminal charges, etc. The question of governmental regulation of railways is discussed at some length.

#### V—Accounting Theory and Practice

*Fundamentals of double entry bookkeeping—Books incidental to a typical mercantile concern—Trial balance, trading and profit and loss statement, and balance sheet—Books and accounts incidental to a typical manufacturing concern—Distinction between capital and revenue—Depreciation and other reserves—Opening the books of a partnership—Accounting procedure at dissolution of partnership—Problems in partnership accounts—Comparison between partnership and corporate accounting—Procedure in opening corporate books—Procedure in changing a set of books from a partnership to a corporation—Problems in corporation accounting.*

Even among experienced bookkeepers comparatively few have a clear understanding of the principles which underlie all correct methods of keeping financial records. This section of the Course, therefore, starts with a clear explanation of the fundamentals of bookkeeping and progresses step by step until it reaches the most difficult problems of partnership and corporation accounting. The discussion is not abstract; a great many illustrations, concrete suggestions and detailed transactions carried through the various books of account serve to fix and make definite in the subscriber's mind correct principles of accounting. Within recent years the great importance of proper accounting methods in the conduct of business has come to be recognized. This section of the Course should enable any executive or accountant to determine what accounting methods are best adapted to his own line of business.

## VI—Corporation Finance

*Where and how to incorporate—Corporate stocks and bonds—Classification of business corporations—Amount and distribution of corporate capitalization—Bank loans and short-term notes—Three steps in promotion—Forming consolidations—The basis of consolidation—Selling securities—The prospectus, the banking house, the Wall Street market and the underwriting syndicate—Management of an underwriting syndicate—Speculative underwriting—Proportion of working to fixed capital—Disposition of gross earnings—Limitations on payment of dividends—Methods of distributing surplus—Corporate manipulation—Corporate receiverships—Principles of reorganization.*

The advantages of the corporation have made it the most popular form of financial organization, and nearly all business men are now interested in one way or another in the formation or management of corporations, or in the buying



and selling of the stocks and securities of corporations. The methods by which corporations are promoted and financed are fully described, and the principles that underlie successful corporate management are stated. The different kinds of bonds, such as income bonds, mortgage bonds, debenture bonds, gold bonds, etc., are defined, and the methods of selling them discussed. The tricks employed by unprincipled manipulators are exposed. Instructions for the analysis of the reports and financial statements of industrial organizations and railway companies are set forth. All these subjects are fully illustrated by descriptions of actual transactions in the world of finance.

## VII—Money and Banking

*Relation of money to credit and capital—The money market—The increasing production of gold and its effect on prices—Foreign exchange and the distribution of gold—Instruments of credit—Checks, drafts, bank notes, commercial paper, etc.—Effect of credit on prices—Review of great commercial crises—Relation of credit expansion to crises—How a coming crisis may be foreseen—Nature and functions of the banking business—Clearing houses and their functions—Relations of banks to general commercial conditions—Relations between Wall Street and the National banking system—Proposed reforms in banking and currency system of the United States—Arguments for and against a central bank.*

The fundamental principles underlying all banking operations are presented under this heading. The nature of money and its relation to credit and capital are described, and the conditions which lead to a general rise or fall of prices are set forth. The important banking and monetary experiences of the United States are reviewed and full descriptions of the banking systems of the United States, Canada, England, France and Germany are given. In connection with bank-



ing, the source of the banker's lending power and its relation to cash on hand are indicated, as well as the distinction between the bank note and the bank deposit, and the factors controlling the rate of discount. The causes of panics are described, and it is shown how commercial and financial disturbances are traceable to the misuse of capital and of bank credits. The principles involved are illustrated by a review of the great panics of the last one hundred years.

### VIII—Banking Practice

*Procedure in organization of national banks, of state banks, trust companies, private banks, etc.—Staff and departmental organization of banks—State and national reports—How to handle inactive accounts—Determining value of depositors' accounts—Bank departments and their functions—Handling of discounts, collateral loans, real estate loans, loans on warehouse receipts, on bills of lading, on assigned accounts—Bank officers and their duties—Safe deposit business—Bank advertising—Other methods of soliciting deposits—Influence of interest rates on exchange rates—Commercial bills of exchange and finance bills—Rules for figuring exchange—Practical illustrations and problems—Application of principles of foreign exchange to domestic exchange.*

Banking practice is in large part a study of the banking laws and customs prevalent in the United States, including those governing national banks, state banks, and trust companies. The work of organizing and conducting banks and trust companies and savings banks in accordance with the provisions of the law is thoroughly explained and illustrated by examples drawn from experience. The banking methods used in successful institutions are discussed. The difficult subject of foreign exchange rates and transactions is fully covered.

## IX—Investment and Speculation

*The demand for investments—Course of bond prices in the United States—United States Government bonds and prices—State bonds and prices—Regulations governing issue of municipal bonds—Urban street railway securities—Securities of gas and electric lighting companies—Securities of water companies—Analysis of a railroad report—Significance of operating ratio, maintenance expenses, fixed charges—Analysis of industrial company's report—Analysis of mining company's report—Farm mortgages as investments—Course of speculative prices—Factors affecting demand for speculative securities—International dealing in speculative securities—Manipulation of the speculative market.*

The methods of the stock exchange and the transactions and processes of the great financial market known as "Wall Street" are explained. The work in this field aims to qualify the subscriber for that critical analysis of a security which is necessary to an intelligent estimate of its value. Such topics as the government bonds of leading countries, municipal bonds and conditions determining their legality, the various classes of securities used by street railways, and the securities of industrial corporations, are considered. The subscriber is informed as to the best methods of computing income and values and is given a clear idea of the various influences which act upon the market prices of stocks and bonds. The nature of speculation and the processes by which it is carried on in the great stock and produce markets are also described.

## X—Insurance

*Origin and development of insurance—How to buy life insurance—New forms of life insurance—Fire insurance inspection or survey—Rating of fire insurance risks—Insurance contracts and policies—Loss adjustments—Insurance underwriting.*

This subject is of interest to all business men, and its treatment is intended to give them an understanding of the fundamental principles that underlie fire and life insurance work. The organization and methods of conducting the insurance business are explained. Among the topics included are: the relation of the underwriting insurance company to the State; the broker and the insured; the elements of risk, and the determination of rates; the adjustment of loans and the methods of settling them; office organization of a fire insurance company; agency methods used by important companies.

## XI—Real Estate

*Nature of various interests in land—Brokerage sales and contracts—Liens on real estate—Classes of deeds—Real estate leases—Adjustments at termination—Valuation of real estate—Problems of management—Renting, collecting, accounting, care of property—Organization of real estate interests—Title registration—Corporate and syndicate forms of operation.*

The work in this field is essentially practical and will prove helpful not only to those who are in the real estate business, but to every other class of business men. The subjects of realty values, real estate law, and the management of property are taken up in a systematic manner, and include consideration of the following topics: the duties and obligations of brokers; building loan operations and the making of building loans; the planning of a building, and the provisions of the building codes; apartment house management; the growth of cities and theory of realty values; title insurance and how it may best be secured; various liens and how they are discharged; mortgages and the steps necessary in foreclosure; taxes and assessments.

## XII—Buying and Selling

*Selling as an exact science—Relation of psychology to selling—Suggestion, arousing interest, winning confidence, persuasion—Form and presentation of a selling argument—Building up a sales organization—Managing a selling campaign—Methods of keeping tab and checking results—Specific selling problems—New methods of selling.*

Business is an almost continual process of buying and selling. This section of the Course covers the principles that have been found most successful in the experience of able buyers and successful salesmen. The duties of a buyer are outlined and the methods by which he can keep in touch with the market are discussed. The various methods of selling goods are distinguished and the advantages of each are given. The essentials of a good selling proposition are outlined. The steps in salesmanship are discussed at length. The organization and management of a sales force is carefully treated. The salient points of various card-index and follow-up systems used by successful sales managers are presented. In addition to the essentials of successful personal selling, the principles and methods of selling through letters and through catalogues are given. Special attention is paid to the organization of a mail-order business.

## XIII—Credits and Collections

*Factors to be considered in fixing credit—Relations of credit department to other departments—Records and organization of the department—Cooperation among credit men—Credit insurance and other efforts to secure protection of credit.*

Most large business firms now have credit departments and the organization and methods of the most successful credit and collection departments in large business houses are set forth in this section of the Course. The means of securing information in regard to the financial standing of prospec-

tive customers are described, and the service of leading mercantile agencies is explained. The organization of a collection department is outlined, and the necessity of cooperation through the credit and collection departments is emphasized. Methods of compelling payment of accounts and collection agencies are fully discussed.

## XIV—Advertising

*Plan of an advertising campaign—Tests of advertising mediums—Layout of an advertisement—Art as an aid to the advertiser—Advertising copy—Advertising agents and their functions—Notable successes in advertising—Pitfalls in advertising.*

The characteristics of various advertising media—news-papers, magazines, signs, circular letters—and their relative advantages are set forth. The psychological factor in advertising is emphasized, and numerous illustrations are given to show how important is originality of method in developing business. The principles upon which successful advertising is based are illustrated by analysis of various magazine and newspaper advertisements. The preparation of advertising copy, including the form and typography of advertising, are comprehensively treated, and the mechanical details are fully explained. Practical information in regard to the methods of advertising agencies, and in regard to the expenses of advertising compared to the returns, is given.

## XV—Accounting Systems

*Insurance companies' accounts—Banking institutions' accounts—Retail stores' accounts—Accounts of central store having numerous branches—Electric lighting companies' accounts—Street railway companies' accounts—Steam railroad companies' accounts—Distinctions between public and private accounts—National and state accounting methods—Municipal accounts—Executors', administrators' and trustees' accounts.*



When the subscriber has mastered the various problems of business management and of finance which are covered in the subjects outlined above, he is prepared to take up a detailed study of accounting systems, which includes the accounts of financial institutions, banks, trust companies, insurance companies, building associations, street railways, gas and electric companies, railroads, manufacturing establishments and factories, department stores and smaller retail establishments. The legal requirements affecting executors', administrators' and trustees' accounts are also explained.

## XVI—Auditing

*General principles involved in all auditing—Distinction between quick examinations and searching investigations—Preparing for an audit—Procedure in mercantile audits—Procedure in bank audits—Procedure in railroad audits—Close of an audit—Drawing up an auditor's report.*

The important duties of the auditor are made clear in the study of this subject, which covers not only the principles which determine the correctness and completeness of an audit, but also numerous concrete instructions as to the proper methods to be pursued in the auditing of different businesses. The general work of an auditor, from the various viewpoints of the occasional auditor, the traveling assistant auditor and especially the expert auditor who represents the profession of the Certified Public Accountant, is covered.

## XVII—Cost Accounts

*Essential elements of cost—Distinction between prime cost and total cost—Forms of original entry of cost records—Determination of machine and labor costs—Treatment of rent, taxes, insurance, depreciation, repairs and overhead burden—Special systems of computing costs—Time and pay-roll records—Machinery, tool room and storehouse records—Dovetailing a cost system with commercial books.*



The various methods of keeping track of cost are illustrated and described, and the old style of single manufacturing accounts is compared with the prove-by-balance system of to-day. The subject of raw materials, as a basic element underlying all costs, is treated in relation to purchase, record of stock on hand, and consumption in the process of manufacture. This subject further discusses such questions as: labor and its relation to cost records, distribution and expenses; time books; charts and reports; manufacturing expense and factory cost, and the component parts thereof; their relation to expense and reserve accounts; and the final distribution of goods in the process of manufacture.

## XVIII—Commercial Law

*Fundamental classifications of commercial law—Nature and classes of contracts—Interpretation of contracts—Performance of sales contracts—Conditional sales—Rights and liabilities of common carriers—Rights and liabilities of innkeepers—Contracts of insurance—Liabilities of parties to negotiable contracts—Contracts of guaranty and suretyship—General principles of law of agency—Termination of the agency relation—Receivers' powers and duties—Mutual rights and duties of partners—Joint-stock companies, limited partnerships, fraternal associations—Corporate powers—Liability of shareholders—Real property.*

This section of the Course has been carefully adapted to the needs of those engaged in general business practice, and also for men preparing for the profession of Certified Public Accountant. It is intended to give the subscriber the knowledge of law necessary for filling acceptably positions in banks, trust, surety and insurance companies, for the duties of executors, trustees or managers of property for themselves, or for others, for the management of corporations, and for general business operations.

## GENERAL INFORMATION

### THE INSTITUTE YEAR

The Course in Accounts, Finance and Business Management has been so arranged as to occupy two years, allowing four weeks in each year for vacations. No Problems, Lectures or Talks will be sent out, and no reading will be assigned, during the two weeks in each year in which Christmas Day and New Year's Day are included, or during the last two weeks of July.

A subscriber may enroll at any time in the year, and his course will continue for a full term of two years from the date of enrollment. The first Lecture and Talk are mailed to each subscriber in the week following the receipt of his enrollment, and subsequent installments are sent at regular fortnightly intervals thereafter (vacation periods excepted).

### PROFICIENCY CERTIFICATE

The Institute offers no degrees, but on the satisfactory completion of the two-year Course it issues a Proficiency Certificate. This certificate will be issued to all subscribers who have carried on the work of the Course regularly and who have solved all the Problems with an average mark of 75 per cent. or above.

### TIME REQUIRED

In order to do all the work of the Course thoroughly, about four or five hours a week will be needed by men of average experience and training. In that time the subscriber should be able to go over all the assigned reading carefully, testing himself with the "quiz questions" in the textbooks and solving the Problems. Those who can spend this much time on the Course will find it well invested.

Those whose time is too much occupied to permit them to carry all this work can at their option arrange to receive all the printed matter as it is issued in the Course, but to be excused from sending in solutions to the Problems. The fee for the Course is the same, whether solutions are submitted or not.

### REQUIREMENTS FOR ENROLLMENT

The Course and Service are not of a character that can be utilized to advantage by untrained or immature persons. The Faculty and Executive Staff, therefore, consider it necessary to impose certain minimum requirements which conform in substance to the entrance requirements of the leading university schools of commerce. These requirements are as follows:

1. Applicants must be at least twenty-one years of age, and must present evidence, including references, showing that they have had at least three years' satisfactory business experience.

2. Exceptions to this rule will be made only in the cases of persons between the ages of eighteen and twenty-one who have had a four-year high school education or its full equivalent.

All applications are accepted subject to the approval of the Institute Faculty and Executive Staff.

### FEE FOR THE COURSE AND SERVICE

The fee for the two-year Course and Service of the Alexander Hamilton Institute has been fixed at \$120.00. The fee covers the complete Course in Accounts, Finance and Business Management and the Consulting Service for two years. All the textbooks and pamphlets that enter into the Course are supplied without extra charge. The Institute pays postage and expressage on all matter sent to the subscriber, and the subscriber is expected to prepay postage on all matter sent to the Institute. No reduction is made for withdrawals after beginning the Course, except by special permission of the Institute.

### FURTHER INFORMATION

Requests for further information should be presented in person to an authorized representative of the Institute or may be addressed to "Secretary, Alexander Hamilton Institute, Astor Place, New York City."





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